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FOR IMMEDIATE RELEASE

Terry Goddard Files Suit Over Neighborhood Fraud Scheme

(Phoenix, Ariz. – Oct. 26, 2006) Attorney General Terry Goddard today announced that his office has filed a consumer and racketeering lawsuit against Gregory Allen Best of Phoenix for attempting to defraud several Phoenix residents out of their homes.

In 2003, Best began contacting residents of the South Country neighborhood, located south of the Salt River between 7th and 16th Streets, to discuss an area plan adopted by the Phoenix City Council that included the neighborhood. The plan, called the Rio Salado Beyond the Banks Area Plan, provides guidance on redevelopment for South Phoenix.

According to the complaint filed in Maricopa County Superior Court, Best told residents in the South Country neighborhood that Phoenix would most likely condemn their properties using eminent domain. He convinced more than three dozen neighbors to sign an "Exclusive Purchase Option Contract" with him to protect their property values. That contract provided Best with an option to purchase the properties for a stated price. Best assured the neighbors he would not exercise this option.

Contrary to Best's assertions, the City of Phoenix did not have any plans to condemn the South Country properties. Nonetheless, Best began exercising his options to purchase properties, and in some cases filed lawsuits to enforce the contracts.

The complaint alleges that Best:

- Misrepresented the City of Phoenix's intentions regarding redevelopment plans.
- Misrepresented his intentions about exercising his option to purchase when the neighbors signed contracts with him.
- Engaged in acts constituting theft, and intentional or reckless false statements or publications concerning land for sale.

The Attorney General's Office is asking the Maricopa County Superior Court to:

- Require Best to return to all victims any money or property acquired through deceptive practices.
- Require Best to pay damages to anyone harmed in this scheme.
- Forfeit any property Best acquired from proceeds of this scheme.
- Impose a \$10,000 penalty for each violation of the Arizona Consumer Fraud Act.

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